

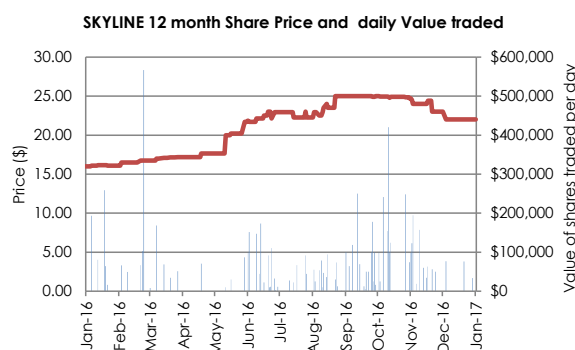
Issuer Profile



Skyline Enterprises Limited



Code	SKYLINE
Last Price	\$22.00
Issuer Profile Date	16/01/2017
Market	Unlisted
Listed	Dec-03
Year End	31-Mar
Shares issued	34,137,379
Market Cap	\$751,022,338
Dividend yield (Gross)	2.1%
Website	www.skyline.co.nz



Company Overview

SKYLINE ENTERPRISES was established in 1966 and has become a major tourism operator with operations in NZ and offshore. In New Zealand SKYLINE owns and operates gondola cableways in Queenstown and Rotorua accessing restaurants and cafes, luge operations and other activities; two accommodation properties being Blue Peaks Lodge in Queenstown and Mercure Leisure Lodge in Dunedin; 100% of the Christchurch Casino and 33% of the Dunedin Casino; Totally Tourism Group operating The Helicopter Line, Glacier Helicopters, Mitre Peaks Cruises, Milford Sound Scenic Flights, Milford Sound Flights, Harris Mountain Heli ski, Challenge Rafting and Queenstown Combos and a portfolio of nine commercial properties located in Queenstown's CBD. Internationally SKYLINE owns and operates four luge sites at Sentosa Island in Singapore, Mont Tremblant and Calgary in Canada (seasonal only) and at Tongyeong in South Korea.

Financial Summary (NZ\$000's)

	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16
Financial Performance					
Total Revenue	76,241	103,380	175,614	186,262	197,629
EBITDA	31,267	38,906	71,465	81,395	84,763
EBIT	26,392	31,299	55,696	65,529	68,338
EBIT Margin	34.6%	30.3%	31.7%	35.2%	34.6%
Net Profit/Comprehensive Income	19,821	64,783	39,806	52,154	52,840
Financial Position					
Current Assets (ex cash)	4,037	7,480	5,077	5,817	7,136
Current Liabilities (ex debt)	(10,866)	(21,624)	(20,085)	(23,675)	(29,464)
Net Working Capital	(6,829)	(14,144)	(15,008)	(17,858)	(22,328)
Non-Current Assets	182,186	312,101	327,598	342,728	364,733
Non-Current Liabilities (ex debt)	(8,797)	(23,915)	(22,404)	(21,448)	(20,087)
Total Net Assets (ex cash/debt)	166,560	274,042	290,186	303,422	322,318
(Cash)	(6,220)	(14,616)	(9,780)	(14,332)	(17,138)
Debt	10,242	72,733	56,650	34,900	18,100
Net Debt	4,022	58,117	46,870	20,568	962
Shareholder Funds	162,537	215,925	243,316	282,854	321,356
Total Capital Employed	166,560	274,042	290,186	303,422	322,318
Total Assets (incl cash)	192,443	334,196	342,455	362,877	389,007
Cash Flows					
Operating Cash Flows	27,954	39,118	49,314	52,631	61,143
Investing Cash Flows	(29,975)	(80,981)	(23,987)	(14,350)	(27,268)
Financing Cash Flows	(176)	50,295	(30,105)	(33,756)	(31,167)
Net Increase/(Decrease) in Cash	(2,197)	8,432	(4,778)	4,525	2,709

Disclaimer

The information contained in this Issuer Profile has been prepared by Armillary Private Capital ('Armillary'), on behalf of Efficient Market Services Limited ('Unlisted'). While the intention is to provide accurate information based on historical performance and market information, Armillary and Unlisted accept no liability for any errors or inaccuracies in this Issuer Profile. The reader is advised to perform their own research to confirm the accuracy of the information contained in this Issuer Profile before relying on it for any investment decision making. This Issuer Profile has been prepared as a 'class service' as defined by the Financial Advisers Act and is general in nature.

Analysis

	31-Mar-12	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16
Investment Performance					
Closing Share Price (\$)	6.15	8.45	10.50	13.90	17.10
Annual Total Return (including net dividends)	17.8%	43.4%	28.6%	36.4%	27.0%
A Profitability (EBIT/Revenue)	34.6%	30.3%	31.7%	35.2%	34.6%
B Activity (Rev/Average Total Net Assets)	0.47	0.45	0.59	0.59	0.59
Return on Capital Employed (A x B)	16.4%	13.6%	18.8%	20.9%	20.5%
Return on Equity (NPAT/Average Shareholders Funds)	12.6%	34.2%	17.3%	19.8%	17.5%
Shares on Issue (m)	34.0	34.1	34.1	34.1	34.1
Reported Net Profit / Comprehensive Income (\$m)	19.8	64.8	39.8	52.2	52.8
Payout Ratio	58.4%	19.4%	31.6%	24.2%	27.1%
Net Dividend Yield	5.5%	4.4%	3.5%	3.0%	3.2%
Imputation Credits	30.0%	28.0%	28.0%	28.0%	28.0%
Gross Dividend Yield	6.0%	4.8%	3.8%	3.3%	3.5%
Per Share (cents)					
EBITDA	91.8	114.1	209.3	238.4	248.3
EPS - Basic	58.2	190.0	116.6	152.8	154.8
EPS - Diluted	58.1	189.8	116.6	152.8	154.8
Net Dividend	34.0	37.0	37.0	42.0	55.0
Net Tangible Assets	467.5	359.6	447.6	575.7	695.0
Cash Flow from Operations	82.1	114.7	144.5	154.2	179.1
Valuation (as at year end)					
Trailing P/E (multiple)	10.6	4.4	9.0	9.1	11.0
Market Value (\$m)	209.4	288.1	358.4	474.5	583.7
Net (Cash)/Debt (\$m)	4.0	58.1	46.9	20.6	1.0
Enterprise Value 'EV' (\$m)	213.4	346.2	405.3	495.1	584.7
EV/EBITDA (multiple)	6.8	8.9	5.7	6.1	6.9
Price/Net Tangible Assets (multiple)	1.3	2.3	2.3	2.4	2.5
Operating Ratios					
EBIT Margin	34.6%	30.3%	31.7%	35.2%	34.6%
NPAT Margin	26.0%	62.7%	22.7%	28.0%	26.7%
Net Capex to Sales	32.3%	66.6%	14.4%	8.2%	1.1%
Annual Growth Rates					
Revenue	31.1%	35.6%	69.9%	6.1%	6.1%
EBITDA	19.1%	24.4%	83.7%	13.9%	4.1%
NPAT	64.2%	226.8%	(38.6%)	31.0%	1.3%
Net Assets	15.3%	64.5%	5.9%	4.6%	6.2%
Equity	6.3%	32.8%	12.7%	16.2%	13.6%
Capital Structure					
Equity to Total Assets	84.5%	64.6%	71.1%	77.9%	82.6%
Net Debt/(Net Debt+Equity)	2.4%	21.2%	16.2%	6.8%	0.3%
Net Debt to Equity	2.5%	26.9%	19.3%	7.3%	0.3%
Interest Cover (multiple)	81.8	26.5	19.6	30.1	44.9

Directors	Appointed
Mark Quickfall (Chairman)	20-Apr-12
Grant Hensman	11-Feb-92
Richard Thomas	21-May-07
Jan Hunt	23-May-08
Donald Jackson	15-Apr-15
Sarah Ottrey	1-Nov-16

Top Ten Shareholders *	Shares	Ownership
Phillip Hensman, Grant Hensman	3,042,402	8.91%
Mount Crystal Limited	2,812,854	8.24%
Lois Gill, McCulloch Trustees Limited	1,500,000	4.39%
Mark Quickfall, Jacqueline Quickfall & McCulloch Trustees Ltd	1,366,345	4.00%
Hensman-Macdonald Limited	1,175,161	3.44%
Elizabeth Luke, David Luke, Grant Hensman	1,032,355	3.02%
Marion Meehan, Rober Cooper	917,269	2.69%
Grant Hensman	811,539	2.38%
Lynda Hensman, Phillip Hensman	800,000	2.34%
NZ Guardian Trust	676,163	1.98%
	14,134,088	41.40%

* As at 19 January 2017